

AMENDED IN SENATE MAY 2, 2006
AMENDED IN SENATE APRIL 18, 2006
AMENDED IN SENATE MARCH 29, 2006

SENATE BILL

No. 1754

Introduced by Senator Lowenthal

February 24, 2006

An act to add Division 3 (commencing with Section 64100) to Title 6.7 of the Government Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

SB 1754, as amended, Lowenthal. Housing and infrastructure zones.

The Community Services District Law identifies the procedures for district formation and specifies the services that a district may provide. Among those services are the acquisition, construction, improvement, maintenance, and operation of recreation facilities, including parks and open space; and community facilities, including libraries, and child care facilities; supplying water for any beneficial use, the collection, treatment or disposal of sewage, waste water, recycled water, storm water, and solid waste; and the acquisition, construction, improvement, and maintenance of streets, roads, rights-of-way, bridges, culverts, drains, curbs, gutters, sidewalks, and any incidental works.

The Community Redevelopment Law authorizes redevelopment agencies to pay the principal of, and interest on, indebtedness incurred to finance or refinance redevelopment, from a portion of property tax revenues diverted from other taxing agencies. The portion of taxes diverted is the amount attributable to increases in assessed valuation

of property in the redevelopment project area subsequent to establishment thereof. This method of financing is commonly known as “tax increment” financing and is specifically authorized by Section 16 of Article XVI of the California Constitution.

Existing law requires a redevelopment agency to use at least 20% of its tax increment revenues to increase, improve, and preserve low- and moderate-income housing available at affordable cost to persons and families of low or moderate income and lower, very low, and extremely low income households unless the agency makes certain findings. Under existing law, there are programs that provide assistance for, among other things, multifamily housing, emergency housing, farmworker housing, and homeownership for low- and very low income households, and that provide downpayment assistance for first-time homebuyers.

Existing law sets forth the duties of the California Economic Development and Infrastructure Development Bank generally in promoting economic development activities in the state.

This bill would establish a pilot project allowing for the formation, under criteria developed by specified councils of governments and the Secretary of Business, Transportation and Housing, of 100 housing and infrastructure zones in the state. A city or county would be eligible to apply to its council of governments or the agency, as applicable, in order to establish a housing and infrastructure zone, subject to approval by the bank, and specified reporting requirements. By requiring the councils of governments to develop criteria and requiring the councils and local governments to perform other duties with respect to the selection and establishment of zones, the bill would impose a state-mandated local program.

The bill would authorize the bank to finance the purchase, construction, expansion, improvement, seismic retrofit, or rehabilitation of real or other tangible property, for various purposes, including interchanges, ramps and bridges, arterial streets, parking facilities, transit facilities, sewage treatment and water reclamation plants and interceptor pipes, facilities for the collection and treatment of water for urban uses, child care facilities, libraries, parks, recreational facilities, open space, facilities for the transfer and disposal of solid waste, including transfer stations and vehicles, and housing. The bank would be authorized to issue bonds and to receive allocations of revenues resulting from a type of tax increment financing for these purposes. By requiring local agencies to conduct

funding allocation activities, this bill would also impose a state-mandated local program.

The pilot project would end on a specified date, but the bank would receive tax increment revenues for a period of 20 years from the date the district was established, plus an additional 10 years solely for the repayment of debt incurred prior to that date.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that parts of the bill contain costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions. It would also specify that no reimbursement is required by parts of this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) Local governments face significant fiscal impediments to
- 4 financing the development and upgrading of essential
- 5 infrastructure, including streets, parking facilities, water and
- 6 sewer systems, and parks, to serve new high-density housing.
- 7 (b) The existing pattern of residential development will
- 8 continue to absorb valuable farmland and open space and be
- 9 located in areas that are not served by adequate transportation
- 10 and other essential utilities and services, unless incentives are
- 11 provided to locate high-density residential development in a
- 12 manner that is consistent with protecting the state's most
- 13 valuable natural resources; *and* encouraging efficient
- 14 development patterns.
- 15 (c) It is therefore the intent of the Legislature in enacting this
- 16 act to support and contribute to the financing of this
- 17 infrastructure and to accomplish all of the following:
- 18 (1) Encourage the location of high-density housing so as to use
- 19 available land more efficiently by complementing and enhancing

1 regional transportation, air quality, and other regional
2 investments, priorities, and strategies.

3 (2) Preserve farmland by encouraging high-density housing
4 sited in accordance with regional growth plans.

5 (3) Provide incentives to ensure that development occurs
6 where it makes most sense through a partnership between the
7 state, the local agency, and the private developer.

8 (4) Establish a voluntary pilot project to determine whether
9 providing resources to local governments for infrastructure and
10 services needed for the concentrated development of high-density
11 housing will lead to a higher level of housing constructed in
12 locations that match regionally determined growth principles.

13 (5) Recognize and protect the principle of local control of
14 local land use authority of individual cities and counties, while
15 providing additional resources to jurisdictions that are willing to
16 approve the development of high-density housing in locations
17 where a more intensified level of development will yield broader
18 regional benefits.

19 (6) Include reasonable accountability measures that will
20 inform the state of the progress of the pilot project, including
21 how and where the new financing mechanism adopted pursuant
22 to this act is used.

23 SEC. 2. Division 3 (commencing with Section 64100) is
24 added to Title 6.7 of the Government Code, to read:

25
26 DIVISION 3. HOUSING AND INFRASTRUCTURE
27 FINANCING ACT OF 2006

28
29 CHAPTER 1. GENERAL PROVISIONS
30

31 64100. For the purposes of this division, the following terms
32 shall have the following meanings:

33 (a) "Council of governments" means the Association of Bay
34 Area Governments, the Southern California Association of
35 Governments, the San Diego Association of Governments, or the
36 Sacramento Area Council of Governments.

37 (b) "Bank" means the California Infrastructure and Economic
38 Development Bank created pursuant to Section 63021.

39 (c) "County," with respect to geographical area, means the
40 unincorporated area of the county only.

1 (d) “Housing and infrastructure zone” means an area within a
2 city or the unincorporated area of a county in which housing or
3 infrastructure is financed by the bank pursuant to a housing and
4 infrastructure plan adopted pursuant to Section 64120 and
5 approved pursuant to Section 64115.

6 (e) “Low-income families” has the same meaning as that set
7 forth for “lower income households” in Section 50079.5 of the
8 Health and Safety Code.

9 (f) “Moderate-income families” has the same meaning as that
10 set forth for “persons and families of low or moderate income” in
11 Section 50093 of the Health and Safety Code.

12 (g) “School entities” has the same meaning as that set forth in
13 subdivision (f) of Section 95 of the Revenue and Taxation Code.

14 (h) “Secretary” means the Secretary of Business,
15 Transportation and Housing.

16 (i) “Very low income families” has the same meaning as that
17 set forth for “very low income households” in Section 50105 of
18 the Health and Safety Code.

19 64101. (a) This division shall be known and may be cited as
20 the Housing and Infrastructure Financing Act of 2006.

21 (b) There is hereby established a pilot project allowing for no
22 more than 100 housing and infrastructure zones throughout the
23 state for the purpose of financing the construction of housing and
24 infrastructure within those housing and infrastructure zones.

25 (c) It is the priority of the state in implementing this pilot
26 project to promote high-density housing development close to
27 jobs and transit and reduce vehicle miles traveled by promoting
28 pedestrian-oriented connections between residential and
29 commercial components of the district.

30 64102. (a) This division shall become inoperative 20 years
31 after the date the last zone is authorized pursuant to Chapter 6
32 (commencing with Section 64150).

33 (b) Notwithstanding subdivision (a), the bank shall receive an
34 allocation of taxes pursuant to Section 64135 for the benefit of
35 each housing and infrastructure zone for a period of 20 years
36 after the first fiscal year in which the bank authorized the
37 allocation of taxes pursuant to Section 64115, plus an additional
38 period of 10 years solely for the repayment of debt incurred prior
39 to that date.

CHAPTER 2. HOUSING AND INFRASTRUCTURE ZONES

64110. (a) Each council of governments may propose housing and infrastructure zones within the region it represents, in response to an application received pursuant to Section 64114 as follows:

(1) The Southern California Association of Governments may propose up to ~~and including~~ 25 housing and infrastructure zones.

(2) The Association of Bay Area Governments may propose up to ~~and including~~ 20 housing and infrastructure zones.

(3) The San Diego Association of Governments and the Sacramento Area Council of Governments may each propose up to ~~and including~~ 15 housing and infrastructure financing zones.

(b) The secretary may propose up to ~~and including~~ 25 housing and infrastructure zones within those areas of the state that are not included within the jurisdiction of a council of governments.

64112. (a) On or before September 1, 2007, each council of governments and the secretary shall develop criteria for the establishment and location of housing and infrastructure zones within its region. The criteria shall be consistent with the state planning priorities established by Section ~~6504.1~~ 65041.1. Criteria may be developed, or be based upon, a collaborative regional growth vision, blueprint, or other similar regional planning effort that identifies areas and locations where additional job growth, high-density housing, or other development is preferred to be concentrated to complement and enhance regional transportation, air quality, and other regional priorities and strategies, including, but not limited to, reducing vehicle miles traveled and improving the regional jobs-housing balance. A council of governments and the secretary may elect to use previously adopted criteria that meet the requirements of this subdivision.

(b) A housing and infrastructure zone shall not be located within a redevelopment project area established pursuant to the Community Redevelopment Law (Part 1 (commencing with Section 33000) or the Community Redevelopment Disaster Project Law (Part 1.5 (commencing with Section 34000) of Division 24 of the Health and Safety Code).

(c) Each council of governments and the secretary shall develop a process that includes the development of draft criteria

1 and the opportunity for cities and counties within the region and
2 the public to review and offer comments, before adopting the
3 final criteria.

4 (d) Each council of governments and the secretary shall
5 present the criteria developed pursuant to subdivision (a) to the
6 bank and shall consider the comments of the bank before
7 adopting the final regional criteria if those comments are
8 received within 120 days of the date the criteria were submitted
9 to the bank. The final regional criteria shall be adopted no later
10 than March 1, 2008.

11 64114. (a) On or before January 1, 2009, and on or before
12 January 1 of each odd-numbered year thereafter, a city or a
13 county may file an application requesting that the council of
14 governments for the region in which it is located, or the
15 secretary, as applicable, to establish one or more housing and
16 infrastructure zones within its jurisdictional boundaries.

17 (b) The application shall demonstrate how the location of the
18 zone conforms to the criteria established pursuant to Section
19 64112, and shall include the draft housing and infrastructure plan
20 described in Section 64120.

21 64115. (a) (1) A council of governments and the secretary,
22 as applicable, shall evaluate each application submitted by a city
23 or county within its boundaries pursuant to Section 64114,
24 determine whether the location of the proposed zone is consistent
25 with the adopted criteria and the benefits that the region will
26 achieve from implementation of the housing and infrastructure
27 plan. The council of governments and the secretary, as
28 applicable, shall rank those applications that conform to the
29 selection criteria. Draft rankings shall be presented at one or
30 more public hearings and shall be modified as appropriate
31 following the public review and comment.

32 (2) On or before July 1, 2009, and on or before July 1 in each
33 odd-numbered year thereafter, after the conclusion of the period
34 of public review and comment, the council of governments and
35 the secretary, as applicable, shall announce its proposed rankings.
36 An applicant city or county may appeal the proposed rankings to
37 the governing body of the council of governments or the
38 secretary, as applicable, if a ranking fails to conform to the
39 selection criteria.

1 (3) On or before September 1, 2009, and on or before
2 September 1 in each odd-numbered year thereafter, after
3 consideration of any information presented during the appeals
4 process, the council of governments and the secretary, as
5 applicable, shall adopt its final rankings and submit its
6 recommendation of the location of housing and infrastructure
7 zones within its region to the bank.

8 (b) The bank shall evaluate the applications for the housing
9 and infrastructure zones that it receives from the councils of
10 government and the secretary to determine whether they are
11 consistent with the state planning priorities established by
12 Section 65041.1. The bank may evaluate the applications for
13 consistency with other criteria that the bank has adopted pursuant
14 to the Bergeson-Peace Infrastructure and Economic Development
15 Bank Act, Title 6.7 (commencing with Section 63000). Based on
16 the economic analysis in the housing and infrastructure plans
17 prepared pursuant to Section 64120, the bank shall determine the
18 amount of taxes proposed to be diverted pursuant to Section
19 64135 to the benefit of each housing and infrastructure zone for
20 the first 20 years of each zone's existence. The bank shall then
21 rank the applications and give a priority to those zones that
22 propose to achieve or exceed average residential densities of at
23 least 40 dwelling units per acre. The bank shall not rank an
24 application if the zone's proposed average residential density is
25 less than 25 dwelling units per acre. In evaluating these
26 applications, the bank may solicit advice from and the assistance
27 of other state agencies, including, but not limited to, the
28 departments within the Business, Transportation and Housing
29 Agency, the departments within the Resources Agency, the
30 Department of Finance, and the Governor's Office of Planning
31 and Research.

32 (c) On or before December 1, 2009, and on or before
33 December 1 in each odd-numbered year thereafter, the bank shall
34 announce its proposed rankings, including the amount of taxes
35 proposed to be diverted pursuant to Section 64135 to the benefit
36 of each housing and infrastructure zone for the first 20 years of
37 the zone's existence. The bank shall notify the councils of
38 government, the secretary, and the cities and counties that
39 submitted the applications. After announcing its proposed

rankings, the bank shall provide opportunities for public review and comment.

(d) On or before February 1, 2010, and on or before February 1 in each even-numbered year thereafter, the bank shall consider any comments regarding its proposed rankings of the applications for housing and infrastructure zones, and then adopt its final rankings.

(e) On or before March 1, 2010, and on or before March 1 in each even-numbered year thereafter, the bank may approve one or more applications for housing and infrastructure zones and authorize the allocation of taxes pursuant to Section 64135 for the benefit of those housing and infrastructure zones.

(f) The total amount of taxes that would be diverted from school entities pursuant to Section 64135 to the benefit of all of the housing and infrastructure zones approved by the bank pursuant to this section for the first 20 years of the zones' existence shall not exceed five hundred million dollars (\$500,000,000).

CHAPTER 3. HOUSING AND INFRASTRUCTURE PLAN

64120. (a) An application submitted pursuant to Section 64112 shall include a draft housing and infrastructure plan adopted by the city or county submitting the application.

(b) The plan shall include text and a diagram or diagrams that specify all of the following in detail:

(1) The distribution, location, and extent of residential uses, and commercial or mixed uses, if any, within the zone. The plan shall provide for the construction of at least 500 new dwelling units. Commercial, retail, office space, and other uses compatible with residential development may be included to serve the residents of the zone and the surrounding community.

(2) The proposed densities of residential development in the zone in terms of dwelling units per acre. The plan shall provide for average residential densities of at least 25 dwelling units per acre.

(3) The proposed distribution, location, and extent and intensity of major components of public and private transportation, sewage, water, drainage, solid waste disposal, energy, parks, and other essential facilities proposed to be located

1 within the zone covered by the plan and needed to support the
2 housing described in paragraph (1). Infrastructure shall primarily
3 support the residential development financed by the district.

4 (4) A program of implementation measures, including, but not
5 limited to, regulations, programs, public works projects,
6 residential development projects, and financing measures
7 necessary to carry out paragraphs (1)~~and (2)~~ to (3), *inclusive*.

8 (5) A program to ensure that 20 percent of the housing within
9 the zone financed by the district is affordable for low- and
10 moderate-income families with not less than 5 percent affordable
11 to very low income, 10 percent affordable to low-income, and 5
12 percent affordable to moderate-income families. *Housing made*
13 *affordable pursuant to this program shall remain available at*
14 *affordable housing cost to, and occupied by, persons and families*
15 *of very low, low, and moderate income for a period of time*
16 *consistent with subdivision (f) of Section 33334.3 of the Health*
17 *and Safety Code.*

18 (6) A program of services and mitigation measures required by
19 the residential, commercial, or mixed uses included within the
20 zone. These services and mitigation measures may also benefit
21 existing residents and areas of the community affected by the
22 development and may include improvements and services for
23 streets, parks, libraries, environmental mitigation, schools, and
24 other measures.

25 (c) The plan shall include a draft economic analysis that
26 calculates the annual difference between revenues generated
27 from development within the zone and the amount of revenue
28 necessary to service debt for capital costs or to provide facilities
29 and services, including the affordable housing required pursuant
30 to paragraph (5) of subdivision (b), within the zone.

31 (d) The ~~draft~~ housing and infrastructure plan shall provide that
32 residential development within the zone that is consistent with
33 the general plan, zoning ordinance, housing and infrastructure
34 plan, and other rules and regulations that apply to residential
35 development within the jurisdiction, on the date that an
36 application for residential development is deemed “complete”
37 within the meaning of Section 65944, shall be a “use by right” as
38 that phrase is defined in Section 65582.3.

39 (e) *The plan shall ensure that whenever dwelling units within*
40 *the area of the plan housing persons and families of very low,*

1 *low, or moderate income are destroyed or removed from the very*
2 *low-, low-, or moderate- income housing market, the city or*
3 *county shall rehabilitate, develop, or construct, or cause to be*
4 *rehabilitated, developed, or constructed, for rental or sale to*
5 *persons and families of very low, low, or moderate income, an*
6 *equal number of replacement dwelling units consistent with the*
7 *requirements of subdivisions (a) and (c) of Section 33413 of the*
8 *Health and Safety Code.*

9 64123. Within 30 days of the approval of a housing and
10 infrastructure zone by the bank pursuant to Section 64115, the
11 city or county shall initiate preparation of any document required
12 by the California Environmental Quality Act (Division 13
13 (commencing with Section 21000) of the Public Resources Code)
14 to adopt the housing and infrastructure plan prepared pursuant to
15 Section 64120.

16 64124. (a) A city or county shall prepare, adopt, and amend
17 a housing and infrastructure plan in the same manner as a general
18 plan.

19 (b) After the adoption *or amendment* of the housing and
20 infrastructure plan, the city or county shall send a copy of the
21 plan and the environmental document completed pursuant to
22 Section 64123 to the bank and the council of governments or the
23 secretary, as applicable.

24 (c) The adopted *or amended* housing and infrastructure plan
25 shall be deemed to be ~~consistent with~~ *substantially equivalent* to
26 the proposed housing and infrastructure plan approved by the
27 bank pursuant to Section 64115, unless the bank finds to the
28 contrary within 30 days of receiving the adopted *or amended*
29 housing and infrastructure plan.

30 (d) *If the bank makes a finding that the adopted or amended*
31 *plan is not substantially equivalent to the draft housing and*
32 *infrastructure plan submitted to the bank pursuant to Section*
33 *64115, then the applicant city or county shall have 90 days to*
34 *amend the housing and infrastructure plan. The amended plan*
35 *shall be submitted to the bank. If the bank finds within 30 days of*
36 *receiving the amended plan that the amended plan is still not*
37 *substantially equivalent to the proposal housing and*
38 *infrastructure plan, the zone shall be deemed disapproved.*

1 64125. No more than 90 days after certifying the
2 environmental document completed pursuant to Section 64123,
3 the city or county shall do both of the following:

4 (a) Adopt the housing and infrastructure plan for the housing
5 and infrastructure zone.

6 (b) Amend its general plan, any specific plan, its zoning
7 ordinance, or any other applicable regulations, to be consistent
8 with the housing and infrastructure plan.

9
10 CHAPTER 4. FINANCING OF HOUSING AND PUBLIC FACILITIES
11

12 64130. (a) The revenues available to the bank pursuant to
13 Section 64135 may be used directly for any of the lawful
14 purposes of the housing and infrastructure zone, may be
15 accumulated for a period not to exceed five years to provide a
16 fund for that work, or may be pledged to pay the principal of, and
17 interest on, bonds issued pursuant to Section 64140.

18 (b) *The city or county shall deposit into a separate account for*
19 *each housing and infrastructure zone not less than 20 percent of*
20 *all taxes that are allocated to the bank pursuant to Section*
21 *64135. The funds in the account shall be used for the purposes of*
22 *increasing, improving, and preserving the community's supply of*
23 *housing available at affordable housing cost to, and occupied by,*
24 *persons and families of very low, low, or moderate income. Any*
25 *interest earned by the account and any repayments or other*
26 *income to the bank or the community for loans, advances, or*
27 *grants of any kind from the account shall accrue to and be*
28 *deposited in the account. Funds in the account may be used for*
29 *any purpose described in subdivision (e) of Section 33334.2 of*
30 *the Health and Safety Code and shall be used in a manner*
31 *consistent with Sections 33334.3 and 33334.4 of the Health and*
32 *Safety Code, except that no more than 10 percent of the annual*
33 *deposit of taxes to the account may be used for planning and*
34 *general administrative activities.*

35 64131. (a) Within a housing and infrastructure zone, the
36 bank may finance the purchase, construction, expansion,
37 improvement, seismic retrofit, or rehabilitation of any real or
38 other tangible property with an estimated useful life of 15 years
39 or longer that satisfies the requirements of subdivision (b), and
40 may finance planning and design work that is directly related to

1 the purchase, construction, expansion, or rehabilitation of that
2 property.

3 (b) Within a housing and infrastructure zone, the bank may
4 finance housing and public facilities, including, but not limited
5 to, all of the following:

6 (1) Interchanges, ramps and bridges, arterial streets, parking
7 facilities, and transit facilities.

8 (2) Sewage treatment and water reclamation plants and
9 interceptor pipes.

10 (3) Facilities for the collection and treatment of water for
11 urban uses.

12 (4) Child care facilities.

13 (5) Libraries.

14 (6) Parks, recreational facilities, and open space.

15 (7) Facilities for the transfer and disposal of solid waste,
16 including transfer stations and vehicles.

17 (8) Housing.

18 64135. A housing and infrastructure plan adopted pursuant to
19 Section 64125 may contain a provision that taxes, if any, levied
20 upon taxable property in the area included within the plan each
21 year by or for the benefit of school entities or the city or
22 unincorporated area of the county in which the housing and
23 infrastructure zone is located after the effective date of the
24 resolution or ordinance approving the plan in an amount not to
25 exceed the amount specified in the plan shall be divided as
26 follows:

27 (a) (1) That portion of the taxes that would be produced by
28 the rate upon which the tax is levied each year by or for each of
29 the school entities and the local government upon the total sum
30 of the assessed value of the taxable property in the housing and
31 infrastructure zone as shown upon the assessment roll used in
32 connection with the taxation of that property by the school
33 entities and the local government, last equalized before the
34 effective date of the ordinance or resolution, shall be allocated to
35 and when collected shall be paid to the respective school entities
36 and the local government as taxes by or for the school entities
37 and the local government on all other property are paid.

38 (2) For the purpose of allocating taxes levied by or for any
39 school entity that did not include the territory in a zone on the
40 effective date of the ordinance or resolution, but to which that

1 territory has been annexed or otherwise included after that
2 effective date, the assessment roll of the county last equalized on
3 the effective date of the ordinance or resolution shall be used in
4 determining the assessed valuation of the taxable property in the
5 project on the effective date.

6 (b) That portion of the levied taxes each year in excess of the
7 amount identified in paragraph (1), shall be allocated to and
8 when collected shall be paid into a special fund of the bank to
9 pay the principal of, and interest on, loans, moneys advanced to,
10 or indebtedness, whether funded, refunded, assumed, or
11 otherwise, incurred by the bank or other payments authorized by
12 Section 64130 to finance or refinance, in whole or in part, the
13 plan adopted pursuant to Section 64125. Unless and until the
14 total assessed valuation of the taxable property in a housing and
15 infrastructure zone exceeds the total assessed value of the taxable
16 property in that zone as shown by the last equalized assessment
17 roll referred to in subdivision (a), all of the taxes levied and
18 collected upon the taxable property in the zone shall be paid to
19 the respective school entities. When the loans, payments,
20 advances, and indebtedness, if any, and interest thereon, have
21 been paid, all moneys thereafter received from taxes upon the
22 taxable property in the zone shall be paid to the respective school
23 entities as taxes on all other property are paid.

24 (c) That portion of the taxes in excess of the amount identified
25 in subdivision (a) that is attributable to a tax rate levied by a
26 school entity for the purpose of producing revenues in an amount
27 sufficient to make annual repayments of the principal of, and the
28 interest on, any bonded indebtedness for the acquisition or
29 improvement of real property shall be allocated to, and when
30 collected shall be paid into, the fund of that school entity.

31 CHAPTER 5. BONDS

32
33
34 64140. The bank may issue bonds for the purposes of this
35 division pursuant to the procedures established under Chapter 5
36 (commencing with Section 63070) of Division 1 of Title 6.7.

CHAPTER 6. REPORTS AND OVERSIGHT

64150. On or before December 31, 2010, and annually thereafter, each city and county in which a housing and infrastructure zone exists shall provide a report to the bank that includes all of the following information for the preceding fiscal year:

(a) The amount of money that the county auditor allocated pursuant to Section 64135.

(b) The purposes for which that money was used.

(c) The number of residential building permits issued by the city or county within the zone.

(d) The value of all building permits issued by the city or county within the zone.

64151. On or before March 1, 2011, and on or before March 31 annually thereafter, the bank shall provide a report to the Joint Legislative Budget Committee and the relevant housing policy committees of each house of the Legislature that includes all of the following for the preceding fiscal year:

(a) The information for each housing and infrastructure zone reported to the bank pursuant to Section 64150.

(b) The total amount of money that county auditors allocated pursuant to Section 64135.

(c) An evaluation of the extent to which the implementation of the housing and infrastructure plans has achieved the purposes and intent of this division. In preparing this evaluation, the bank may solicit advice from and the assistance of other state agencies, including, but not limited to, the departments within the Business, Transportation and Housing Agency, the departments within the Resources Agency, the Department of Finance, and the Governor's Office of Planning and Research.

SEC. 3. (a) If the Commission on State Mandates determines that parts of this act contain costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

(b) No reimbursement is required by parts of this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the

- 1 program or level of service mandated by those parts of this act,
- 2 within the meaning of Section 17556 of the Government Code.

O